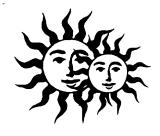
0027



Sunnyside Cogeneration Associates

P.O. Box 10, East Carbon, Utah 84520 • (435) 888-4476 • Fax (435) 888-2538

October 20, 2006

Pam Grubaugh-Littig Utah Division of Oil, Gas & Mining 1594 W. North Temple, Suite 1210 Salt Lake City, Utah 84114

RE: Third Quarter 2006 Inspection Report Sunnyside Refuse Pile C/007/035

Dear Pam:

Please find enclosed a copy of the Third Quarter 2006 Inspection Report for Sunnyside Cogeneration Associates' impoundments, refuse pile and excess spoil areas. The inspection was performed by a qualified SCA employee and certified by a professional engineer from Twin Peaks Engineering.

Should you have any questions, please contact Rusty Netz or myself at $(435)\,888-4476$.

Thank You,

Michael J. Blakey

Agent For

Sunnyside Cogeneration Associates

c.c. Robert Escalante
 Rusty Netz
 Plant File

RECEIVED OCT 2 3 2006

DIV. OF OIL, GAS & MINING

IMPOUNDMENT INSPEC	TION AND CERTIFIED REPORT	Clear Water Pond
Permit Number	ACT/007/035	Report Date 10/11/06
Mine Name	SUNNYSIDE REFUSE AND SLUP	RY
Company Name	SUNNYSIDE COGENERATION AS	SSOCIATES
Impoundment Identification	Impoundment Name	Clear Water Pond
	Impoundment Number	004
	UPDES Permit Number	UT 024759
	MSHA ID Number	N/A
IMPOUNDMENT INS	PECTION	
Inspection Date	September 19, 2006	
Inspected By	Rusty Netz	
Reason for Inspect (Annual, Quarterly or Critical Installation,	ion Other Periodic Inspection, or Completion of Construction)	Third Quarter Inspection 2006
Required for an		in a live of the section of the sect
impoundment which functions as a SEDIMENTATION POND.		
	Existing Sediment Elev 3. Principle and emergency sp Spillway Elevation =	villway elevations.

Clear Water Pond

4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.

No discharge, inlet/outlet conditions are good

No structural or hazardous conditions exist.

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

Pond had some water in it.

No structure or stability problems observed.

In accordance with the approved plan to construct the Excess Spoil Disposal area #2, the Slurry Ponds #1 and #2 no longer receive storm runoff. These storm flows are now routed either directly to the East Slurry Cell or to the Clear Water Pond. With the reclamation activities at Sunnyside Coal, both of these ponds have ample capacity to handle the storm flows without the Slurry Ponds in series.

Kusty n

Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

Signature:

Date:

IME	COUNDMENT INSPECTION AND CERTIFIED REPORT	Clear Water Pond		
CE	RTIFIED REPORT			
IMI	COUNDMENT EVALUATION (If NO, explain under Comment	es)	YES	NO
1.	Is impoundment designed and constructed in accordance	with the approved plan?	yes	
2.	Is impoundment free of instability, structural weakne condition?	ess, or any other hazardous	yes	
3.	3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?			
	ACTION AND AND AND THEODIAN TAIL			

COMMENTS AND OTHER INFORMATION

None

Certification Statement:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson

Signature:

P.E. Number & State:

187727 UT

IMPOUNDMENT INSPEC	TION AND CERTIFIED REPORT	Railcut Pond		
Permit Number	ACT/007/035	07/035 Report Date 10/11/06		
Mine Name	SUNNYSIDE REFUSE AND SLUR	RY		
Company Name	SUNNYSIDE COGENERATION AS	SOCIATES		
Impoundment Identification	Impoundment Name	Railcut Sediment Pond		
	Impoundment Number	007		
	UPDES Permit Number	UT 024759		
	MSHA ID Number	N/A		
IMPOUNDMENT INS	PECTION			
Inspection Date	September 19, 2006			
Inspected By	Rusty Netz			
Reason for Inspect (Annual, Ouarterly or C	Other Periodic Inspection,	Third Quarter Inspection	n 2006	
Critical Installation,	or Completion of Construction) arance of any instability, structuments	ral weakness, or any other hazard	dous condition.	
Critical Installation, 1. Describe any appear NONE Required for an	arance of any instability, structured areas of a structured ar	including elevation of 60% and 1	100% sediment storage	
1. Describe any appearance NONE	2. Sediment storage capacity, volumes, and, estimated ave	including elevation of 60% and 1 erage elevation of existing sedim	100% sediment storage	

Railcut Pond

Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.

No discharge, inlet/outlet conditions are good, no structural or hazardous conditions exist.

Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

No changes. Pond had some water in it. No structure or stability problems observed.

Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

Kusty re

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT Railcut Pond					
CERTIFIED REPORT					
IMPOUNDMENT EVALUATION (If NO, explain under Comment	s)	YES	NO		
1. Is impoundment designed and constructed in accordance with the approved plan?					
2. Is impoundment free of instability, structural weakness condition?	yes				
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?					
COMMENTS AND OTHER INFORMATION					

Certification Statement:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, P.F.

Signature:

P.E. Number & State:

IMPOUNDMENT INSPECT	ION AND CERTIFIED REPORT	OCRR Pond				
Permit Number	ACT/007/035	Report Date 10/11/06				
Mine Name	SUNNYSIDE REFUSE AND SLURE	SUNNYSIDE REFUSE AND SLURRY				
Company Name	SUNNYSIDE COGENERATION ASS	SOCIATES				
Impoundment Identification	Impoundment Name	Old Coarse Refuse Road Sediment Por				
	Impoundment Number	008				
	UPDES Permit Number	UT 024759				
	MSHA ID Number	N/A				
IMPOUNDMENT INSP	ECTION					
Inspection Date	September 19, 2006					
Inspected By	Rusty Netz					
	on ther Periodic Inspection, or Completion of Construction)	Third Quarter Inspection	n 2006			
Required for an impoundment which functions as a SEDIMENTATION POND		including elevation of 60% and i				
Storage Capacity = 0.9 acre-feet Maximum Sediment Depth Elevation = 6394.75 Estimated Existing Sediment Elevation = 6394+-						
3. Principle and emergency spillway elevations. Spillway Elevation = 6399.4 Primary Drain Elevation = 6395.75						

IMPOUNDMENT	INSPECTION	AND	CERTIFIED	REPORT

OCRR Pond

4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.

No discharge, Pond had some water in it. inlet/outlet conditions are good, No structural or hazardous conditions exist.

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

No changes, no structure or stability problems observed.

Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

Rusty ra

Signature:

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT	OCRR Pond			
CERTIFIED REPORT				
IMPOUNDMENT EVALUATION (If NO, explain under Comments) YES NO				
1. Is impoundment designed and constructed in accordance	yes			
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?				
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?				
COMMENTS AND OTHER INFORMATION				

None

Certification Statement:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, P/

Signature:

P.E. Number & State:

IMPOUNDMENT INSPECT	ION AND CERTIFIED REPORT	Pasture Pond			
Permit Number	ACT/007/035	Report Date 10/11/06			
Mine Name	SUNNYSIDE REFUSE AND SLURF				
Company Name	SUNNYSIDE COGENERATION ASS	SOCIATES			
Impoundment Identification	Impoundment Name	Pasture Sediment Pond			
	Impoundment Number	009			
	UPDES Permit Number	UT 024759			
	MSHA ID Number	N/A			
IMPOUNDMENT INSE	PECTION				
Inspection Date	September 19, 2006				
Inspected By	Rusty Netz				
Reason for Inspecti (Annual, Quarterly or Ot Critical Installation, o	on ther Periodic Inspection, or Completion of Construction)	Third Quarter Inspection	n 2006		
Required for an impoundment which functions as a SEDIMENTATION POND		including elevation of 60% and rage elevation of existing sedi			
Storage Capacity = 1.0 acre-feet Maximum Sediment Depth Elevation = 6485.5 Estimated Existing Sediment Elevation = 6484+-					
3. Principle and emergency spillway elevations. Spillway Elevation = 6490.6 Primary Drain Elevation = 6486.6					

IMPOUNDMENT	THEFECTION	AND	CERTIFIED	REPORT

Pasture Pond

4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it.
No discharge, inlet/outlet conditions are good,
No structural or hazardous conditions exist.

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

No changes. No structure or stability problems observed.

Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

Rusty not

Signature:

Date:

IMI	POUNDMENT INSPECTION AND CERTIFIED REPORT	Pasture Pond		
CE	RTIFIED REPORT			
IMI	POUNDMENT EVALUATION (If No, explain under Comment	cs)	YES	NO
1.	Is impoundment designed and constructed in accordance	with the approved plan?	yes	
2. Is impoundment free of instability, structural weakness, or any other hazardous Yes condition?				
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?			yes	

COMMENTS AND OTHER INFORMATION

Certification Statement:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Car/Ison

Signature:

P.E. Number & State:

187727 - UT

1/06

IMPOUNDMENT INSPECT	ION AND CERTIFIED REPORT	CRT Pond			
Permit Number	ACT/007/035	Report Date 10/11/06			
Mine Name	SUNNYSIDE REFUSE AND SLURF	RY			
Company Name	SUNNYSIDE COGENERATION ASS	SOCIATES			
Impoundment Identification	Impoundment Name	New Coarse Refuse Toe Sediment Pond			
	Impoundment Number	012			
	UPDES Permit Number	UT 024759			
	MSHA ID Number	N/A			
IMPOUNDMENT INSE	PECTION				
Inspection Date	September 19, 2006				
Inspected By	Rusty Netz				
	.on ther Periodic Inspection, or Completion of Construction)	Third Quarter Inspection 2006			
Required for an impoundment which functions as a SEDIMENTATION POND	2. Sediment storage capacity, volumes, and, estimated average Storage Capacity = 1.6	including elevation of 60% and 100% sediment storage rage elevation of existing sediment.			
	Maximum Sediment Depth Estimated Existing Sed: 3. Principle and emergency spin	iment Elevation = 6176+-			
Spillway Elevation = 6183.63 Primary Drain Elevation = 6178.2					

TMPOUNDMENT	TATODECMICAL	ANTO	CEDMIETER	DEDODE
T IMPACABLE IN T	THOSERCITON	MILL	CELTIFIE	REFURI

CRT Pond

4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it. No discharge, inlet/outlet conditions are good, No structural or hazardous conditions exist.

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

No changes. No structure or stability problems observed.

Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

Signature:

IMPO	IMPOUNDMENT INSPECTION AND CERTIFIED REPORT CRT Pond					
CER	TIFIED REPORT					
IMPO	IMPOUNDMENT EVALUATION (If NO, explain under Comments) YES NO					
1.	1. Is impoundment designed and constructed in accordance with the approved plan? yes					
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?			yes			
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? Yes						
COMMENTS AND OTHER INFORMATION						

Certification

Statement:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson

Signature:

P.E. Number & State:

IMPOUNDMENT INSPECT	ION AND CERTIFIED REPORT	COAL RUNOFF POND		
Permit Number	ACT/007/035	Report Date 10/11/06		
Mine Name	SUNNYSIDE REFUSE AND SLURRY			
Company Name	SUNNYSIDE COGENERATION ASSOCIATES			
Impoundment Identification	Impoundment Name	Coal Runoff Sediment Pond		
	Impoundment Number 014			
	UPDES Permit Number	UT 024759		
	MSHA ID Number	N/A		
IMPOUNDMENT INSP	ECTION			
Inspection Date	September 19, 2006			
Inspected By	Rusty Netz			
Reason for Inspecti (Annual, Quarterly or Ot Critical Installation, o	on ther Periodic Inspection, or Completion of Construction)	Third Quarter Inspection 2006		
Required for an impoundment which functions as a SEDIMENTATION POND	2. Sediment storage capacity, volumes, and, estimated aver	including elevation of 60% and 100% sediment storage rage elevation of existing sediment.		
Storage Capacity = 1.5 acre feet Maximum Sediment Depth Elevation = 6476.0 Estimated Existing Sediment Elevation = 6475±				
	3. Principle and emergency spi Spillway Elevation = 6 Emergency Spillway Elevation	477.9		

COAL RUNOFF POND

4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it.

No discharge, inlet and outlet cond

No discharge, inlet and outlet conditions are good.

No structural or hazardous conditions exist.

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

No changes.

No structure or stability problems observed.

Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

Signature:

Date:

			T	
IMPOUNDMENT INSPECT	ION AND CERTIFIED REPORT	COAL RUNOFF POND		
CERTIFIED REPORT				
IMPOUNDMENT EVALUATE	ON (If NO, explain under Comment	cs)	YES	NO
1. Is impoundment design	med and constructed in accordance	with the approved plan?	yes	
2. Is impoundment free condition?	of instability, structural weakne	ess, or any other hazardous	yes	was a second
	met all applicable performance st a previous date of inspection?	andards and effluent	yes	
COMMENTS AND OTHER	INFORMATION			
None				
Certification Statement:	I hereby certify that; I am expequalified and authorized in the and appearance of impoundments ifor this structure; that the impapproved design and meet or exceapplicable federal, state and loinspection reports are made by appearances of instability, strustructure affecting stability in structure affecting stability in Signature: By: S. Scott Carlson Signature: P.E. Number & State:	State of Utah to inspect and con accordance with the certified coundment has been maintained in each the minimum design requiremental regulations; and, that inspayself or under my direction and actural weakness or other hazard	ertify the of and approperties and approperties and approperties and an include a	condition ved designs e with all d ny ions of the

Permit Number	ION AND CERTIFIED REPORT	Borrow Area Pond				
	ACT/007/035	Report Date 10/11/06				
Mine Name	SUNNYSIDE REFUSE AND SLURRY					
Company Name	SUNNYSIDE COGENERATION AS	SOCIALES				
Impoundment Identification	Impoundment Name	Borrow Area Pond				
	Impoundment Number	016				
	UPDES Permit Number	UT 024759				
	MSHA ID Number	N/A				
IMPOUNDMENT INSI	PECTION					
Inspection Date	September 19, 2006					
Inspected By	Rusty Netz					
	LON ther Periodic Inspection, or Completion of Construction)	Third Quarter Inspection 2006				
Required for an	T					
Required for an impoundment which functions as a SEDIMENTATION POND	2. Sediment storage capacity, volumes, and, estimated ave	including elevation of 60% and 100% sediment storage erage elevation of existing sediment.				
impoundment which functions as a	volumes, and, estimated available Storage Capacity = 8.3 Maximum Sediment Depth	erage elevation of existing sediment. 3 acre-feet				

Borrow Area Pond

4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it.
No discharge, inlet/outlet conditions are good,
No structural or hazardous conditions exist.

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

No changes.

No structure or stability problems observed.

Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

Signature:

IMP	OUNDMENT INSPECTION AND CERTIFIED REPORT	Borrow Area Pond		
CEI	RTIFIED REPORT			
IMP	OUNDMENT EVALUATION (If NO, explain under Comment	s)	YES	МО
1.	Is impoundment designed and constructed in accordance	with the approved plan?	yes	
2.	Is impoundment free of instability, structural weakne condition?	ss, or any other hazardous	yes	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?			yes	

COMMENTS AND OTHER INFORMATION

none

Certification Statement:

I hereby certify that: I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson, P.E

Signature:

P.E. Number & State:

187727 Utah

IMPOUNDMENT INSPECT	ION AND CERTIFIED REPORT	East Slurry Cell			
Permit Number	ACT/007/035	Report Date 10/11/06			
Mine Name	SUNNYSIDE REFUSE AND SLURRY				
Company Name	SUNNYSIDE COGENERATION ASS	OCIATES			
Impoundment Identification	Impoundment Name	East Slurry Cell			
	Impoundment Number	N/A			
	UPDES Permit Number	N/A			
	MSHA ID Number	1211-UT-09-02093-02			
IMPOUNDMENT INSP	ECTION				
Inspection Date	September 19, 2006				
Inspected By	Rusty Netz				
(Annual, Quarterly or Ot	Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction) Third Quarter Inspection 2006				
Required for an impoundment which functions as a SEDIMENTATION POND		including elevation of 60% and 100% sediment storage rage elevation of existing sediment.			
Storage Capacity = 27+- acre-feet Maximum Sediment Depth Elevation = N/A Estimated Existing Sediment Elevation = N/A					
	3. Principle and emergency spillway elevations. N/A				

East Slurry Cell

4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.

Pond had some water in it.
No structural or hazardous conditions exist.

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

Slurry Cell is not receiving slurry from any source, currently functioning as a sediment pond and coal fine storage. No structural or stability problems observed.

In accordance with the approved plan to construct the Excess Spoil Disposal area #2, the Slurry Ponds #1 and #2 no longer receive storm runoff. These storm flows are now routed either directly to the East Slurry Cell or to the Clear Water Pond. With the reclamation activities at Sunnyside Coal, both of these ponds have ample capacity to handle the storm flows without the Slurry Ponds in series.

Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

Signature:

Date:

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT	East Slurry Cell					
CERTIFIED REPORT						
IMPOUNDMENT EVALUATION (If NO, explain under Comment	s)	YES	NO			
1. Is impoundment designed and constructed in accordance	with the approved plan?	yes				
2. Is impoundment free of instability, structural weakne condition?	ss, or any other hazardous	yes				
3. Has the impoundment met all applicable performance st limitations from the previous date of inspection?	andards and effluent	yes				
COMMENTS AND OTHER INFORMATION						

Certification Statement:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: S. Scott Carlson

Signature:

P.E. Number & State:

187727 - UT

11/06

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE		Coarse Refuse Pile		
Permit Number	ACT/007/035	Report Date 10/11/06		
Mine Name	SUNNYSIDE REFUSE AND) SLURRY		
Company Name	SUNNYSIDE COGENERATI	ON ASSOCIATES		
Excess Spoil Pile or Refuse Pile Identification		Coarse Refuse Pile		
	Pile Number	N/A		
	MSHA ID Number	1211-UT-09-02093-01		
Inspection Date	September 19, 2006			
Inspected By	Rusty Netz			
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)		Third Quarter Inspection 2006		
		Attachments to Report? X No		
Field Evaluation				
1. Foundation prepar	ration, including the removal o	f all organic material and topsoil.		
N/A				
2. Placement of under	erdrains and protective filter	systems.		
I	N/A			
N/A				
	final surface drainage systems.			
	final surface drainage systems.			
3. Installation of :	final surface drainage systems. mpaction of fill materials.			
3. Installation of :				
3. Installation of : N/A 4. Placement and con N/A				

INS	PECTION	AND	CERTIE	TEL	REPORT	2
ON	EXCESS	SPOIL	PILE	OR	REFUSE	PILE

Coarse Refuse Pile

Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions.

No smokers visible

Other Comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

Waste Coal Removal

Certification Statement

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By: S. Scott Carlson, PE

Signature:

P.E. Number & State: 187727 - UT

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE		Excess Spoil Pile #1			
Permit Number ACT/007/035		Report Date 10/11/06			
Mine Name	SUNNYSIDE REFUSE AND	SLURRY			
Company Name	SUNNYSIDE COGENERATI	ON ASSOCIATES			
Excess Pile Name: Spoil Pile or Refuse Pile Identification		Excess Spoil Disposal Area #1			
	Pile Number	N/A			
	MSHA ID Number	1211-UT-09-02093-04			
Inspection Date	September 19, 2006				
Inspected By	Rusty Netz				
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)		Third Quarter Inspection 2006			
		Attachments to Report? X No Yes			
Field Evaluation					
1. Foundation prepar	ration, including the removal o	f all organic material and topsoil.			
N/A					
2. Placement of under	erdrains and protective filter	systems.			
N / D					
N/A	N/A				
3. Installation of final surface drainage systems.					
N/A					
4. Placement and co	Placement and compaction of fill materials.				
this quarte	Placement and compaction of fill material occurred throughout this quarter. Material consists generally of coarse refuse rejects and is being placed in general conformance with the approved plan.				
Approximate Quarter.	Approximately 16,662 tons of material were placed during the Quarter.				

INS	PECTION	AND	CERTIFIED	REPORT	r
ON	EXCESS	SPOIL	PILE OR	REFUSE	PILE

Excess Spoil Pile #1

Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions.

None

7. Other Comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

Construction has been proceeding in shallow lifts in general conformance with the approved plan.

No evidence exists of fires in the pile.

Certification Statement

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By: S. Scott Carlson,

Signature:

P.E. Number & State: 187727 - UT

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE		Excess Spoil Pile #2			
Permit Number ACT/007/035		Report Date 10/11/06			
Mine Name SUNNYSIDE REFUSE AND		SLURRY			
Company Name	SUNNYSIDE COGENERATI	ON ASSOCIATES			
Excess Pile Name: Spoil Pile or Refuse Pile Identification		Excess Spoil Disposal Area #2			
	Pile Number	N/A			
	MSHA ID Number	1211-UT-09-02093-05			
Inspection Date	September 19, 2006				
Inspected By	Rusty Netz				
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)		Third Quarter Inspection 2006			
		Attachments to Report? X No			
Field Evaluation	Field Evaluation				
 Foundation preparation, including the removal of all organic material and topsoil. Existing disturbed site. No topsoil removal is required by approved plan. 					
2. Placement of underdrains and protective filter systems. Under-drains and filters are not required by approved plan. The Slurry Ponds #1 and #2 no longer receive inflows of any storm waters. The inlet culverts have been removed and storm water rerouted to other impoundments.					
Installation of final surface drainage systems. $N/A \label{eq:NA}$					
	No additional material was placed in this disposal area during the				

INS	PECTION	AND	CERTIF	TEL	REPORT	ľ
ON	EXCESS	SPOIL	PILE	OR	REFUSE	PILE

Excess Spoil Pile #2

Final grading and revegetation of fill.

N/A

6. Appearances of instability, structural weakness, and other hazardous conditions.

None

Other Comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period.

Both Slurry Pond #1 and Slurry Pond #2 were approved for and have been filled with coal mine waste and excess spoil in connection with construction of the Excess Spoil Disposal Area # 2. A pile is being constructed on top of the filled ponds with gentle slopes in accordance with the currently approved plan. See attached photos.

The Clearwater Pond is also part of this disposal area but will continue to function as a sediment pond until such time as it is needed as a disposal site.

Certification Statement

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By: S. Scott Carlson, PE

Signature:

P.E. Number & State: